

Senate File 2177

H-8150

1 Amend Senate File 2177, as passed by the Senate, as follows:

2 1. Page 1, by striking lines 7 and 8 and inserting <secure
3 internet connection, or other secure electronic contact method
4 designated by the consumer reporting agency. The consumer
5 must>

6 2. Page 1, by striking lines 22 through 25 and inserting
7 <on a nationwide basis, the consumer reporting agency shall
8 identify, to the best of its knowledge, any other consumer
9 reporting agency that compiles and maintains files on consumers
10 on a nationwide basis and inform consumers of appropriate
11 contact information that would permit the consumer to place,
12 lift, or remove a security freeze from such other consumer
13 reporting agency.>

14 3. Page 2, by striking lines 2 through 4 and inserting
15 <faecsimile transmissions, the secure internet connection, or
16 other secure electronic media contact method designated by the
17 consumer reporting agency. The consumer reporting agency shall
18 comply with>

19 4. Page 2, by striking lines 8 through 10 and inserting
20 <agency through faecsimile, the secure internet, connection or
21 other secure electronic contact method chosen designated by the
22 consumer reporting agency, or the use of>

23 5. Page 4, by striking lines 1 and 2 and inserting:

24 <Sec. ____ . Section 715C.1, subsections 1 and 5, Code 2018,
25 are amended to read as follows:

26 1. "*Breach of security*" means unauthorized acquisition,
27 or reasonable belief of unauthorized acquisition, of personal
28 information maintained in computerized form by a person that
29 compromises the security, confidentiality, or integrity of
30 the personal information. "~~*Breach of security*~~" also means
31 ~~unauthorized acquisition of personal information maintained~~
32 ~~by a person in any medium, including on paper, that was~~
33 ~~transferred by the person to that medium from computerized~~
34 ~~form and that compromises the security, confidentiality, or~~
35 ~~integrity of the personal information.~~ Good faith acquisition

1 of personal information by a person or that person's employee
2 or agent for a legitimate purpose of that person is not a
3 breach of security, provided that the personal information
4 is not used in violation of applicable law or in a manner
5 that harms or poses an actual threat to the security,
6 confidentiality, or integrity of the personal information.

7 5. "Encryption" means the use of an algorithmic process
8 pursuant to accepted industry standards to transform data into
9 a form in which the data is rendered unreadable or unusable
10 without the use of a confidential process or key.

11 Sec. _____. Section 715C.2, subsections 7 and 8, Code 2018,
12 are amended to read as follows:

13 7. This section does not apply to any of the following:

14 a. A person who complies with notification requirements or
15 breach of security procedures that provide greater protection
16 to personal information and at least as thorough disclosure
17 requirements than that provided by this section pursuant to
18 the rules, regulations, procedures, guidance, or guidelines
19 established by the person's primary or functional federal
20 regulator.

21 b. A person who complies with a state or federal law
22 that provides greater protection to personal information and
23 at least as thorough disclosure requirements for breach of
24 security or personal information than that provided by this
25 section.

26 c. A person who is subject to and complies with regulations
27 promulgated pursuant to Tit. V of the federal
28 Gramm-Leach-Bliley Act of 1999, 15 U.S.C. §6801 - 6809.

29 d. A person who is subject to and complies with regulations
30 promulgated pursuant to Tit. II, subtit. F of the federal
31 Health Insurance Portability and Accountability Act of 1996,
32 42 U.S.C. §1320d - 1320d-9, and Tit. XIII, subtit. D of the
33 federal Health Information Technology for Economic and Clinical
34 Health Act of 2009, 42 U.S.C. §17921 - 17954.

35 8. Any person who owns or licenses computerized data that

1 includes a consumer's personal information that is used in
2 the course of the person's business, vocation, occupation,
3 or volunteer activities and that was subject to a breach of
4 security requiring notification to more than five hundred
5 residents of this state pursuant to this section shall give
6 written notice of the breach of security ~~following discovery~~
7 ~~of such breach of security, or receipt of notification under~~
8 ~~subsection 2,~~ to the director of the consumer protection
9 division of the office of the attorney general within five
10 business days after giving notice of the breach of security to
11 any consumer pursuant to [this section](#).

12 Sec. ____ . EFFECTIVE DATE. The following take effect January
13 1, 2019:

14 1. The section of this Act amending section 714G.2.

15 2. The section of this Act amending section 714G.3,
16 subsection 1.

17 3. The section of this Act amending section 714G.4,
18 unnumbered paragraph 1.>

19 6. Title page, line 2, after <and> by inserting <personal
20 information security breach protection, and>

21 7. By renumbering as necessary.

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